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Mr. Thomas J. Watson, President
International Business Machines Corporation
590 Madison Avenue
New York, New York

Dear Mr. Watson:

The Central Intelligence Agency is deriving great benefits from its IBM installation, and is receiving most effective and cordial cooperation from Mr. LaMotte of your Washington office. Mr. Stephen Cave is a frequent and welcome visitor, and a month or two ago Mr. McPherson, one of your Vice Presidents, called upon us in connection with a facsimile technique which we have developed for use with IBM punchcards.

I have read in some of the technical journals about the new Dyson technique for handling complex coding problems on IBM cards, and I understand that you are developing a machine which will operate on the Dyson principle. This will be of real interest to us when it is ready, as there seems to be a distinct possibility that it may help solve some of our problems.

The new machine development must, of course, be kept highly confidential until patent rights and the like are settled. But it would be a great help to us if we might be permitted a look behind the curtain, in order to learn precisely how we must design our classification and code schemes if we are to benefit from the new machine's potentialities when it is ready for use. Would it be possible for you to permit my senior machine specialist, [redacted] and one of my consultants, [redacted] to view the new machine in the plant where it is being developed, and to consult with the engineers who are working upon it? I can assure you that they would observe the strictest confidence about what they saw and were told, and that no news of the new machine would leak from this Agency.

Sincerely,

- via CR 7/6/50.

R. H. HILLENKOTTER
Rear Admiral, USN
Director of Central Intelligence

OCD:JMA/fjc

cc: DCI ✓
AD/OCD
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